

**Opening Statement of Ranking Member Scott (VA-03)**

Full Committee Markup

*Providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Department of Education relating to "Waivers and Modifications of Federal Student Loans" (H.J.Res. 45)*

RHOB 2175

Wednesday, May 10, 2023 | 10:15 a.m.

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Thank you, Dr. Foxx, and good morning.

There are many challenges we have in higher education that demand our attention. For example, students and families face a student debt crisis thanks to the rising cost to attend college and the chronic state disinvestment in higher education. In fact, between 2008 and 2018, states spent, on average, 13 percent less per student, after adjusting for inflation.

The buying power of the Pell Grant has also fallen dramatically—from covering nearly 80 percent of the average cost of tuition, room, and board at a public four-year institution in 1975 to now less than about a third of that cost.

Students continue to grapple with mental health problems and substance abuse challenges in colleges that we are not addressing.

And a Republican-sponsored lawsuits against the admissions policies at Harvard and the University of North Carolina are threatening racial diversity on campuses nationwide.

Instead of addressing those challenges, we have decided to take time with a proposal that already passed last month as part of the debt ceiling legislation.

Let's be clear: this resolution to eliminate student debt relief would hurt millions of student borrowers and their families.

Forty-three million student borrowers across the country are eligible for loan relief, including 139,000 in my district.

Nearly 26 million borrowers in every Congressional District applied for relief, including 16 million borrowers whose applications had already been approved before litigation started. More than 54,000 borrowers in my district have had their applications approved and sent to loan servicers before that was stopped by the litigation.

H.J.Res. 45 seeks to deny all of these borrowers the relief they were promised.

Importantly, the people who would be impacted the most by this resolution are not the 'wealthy and well-connected.' Under the President's plan, 90 percent of the relief would go to borrowers earning less than \$75,000 a year.

H.J.Res. 45 would almost be impossible to implement. Even if you don't like the student loan relief, it would be impossible to implement because—first of all—you don't get to pick and choose in a Congressional Review Act which parts of the rule you are overturning. You have to overturn the whole rule—one of which was the pause in payments.

This would force people to begin their payments as if the rule had not passed—that's October in 2022. If this thing were to pass, everybody would instantaneously be about eight months behind. And the interest would also be added back to their payments.

This could trigger a wave of delinquencies and defaults for our most vulnerable borrowers. The interest would average about \$233 per month for every month back to October.

The resolution prevents executive agencies from issuing “substantially the same” rule as the disapproved rule. In other words, H.J.Res. 45 blocks any future administrative action to support borrowers by pausing payments or interest accrual during future emergencies.

Many of my colleagues on the other side have argued that we cannot afford the plan and called it a “giveaway.”

That's just a matter of priorities. Congressional Republicans were willing to charge taxpayers \$1.9 trillion for a tax package where 80 percent of the benefits were scheduled to go to the top one percent and corporations—but they are unwilling to invest half that amount to help student borrowers pay for their education.

It would be a far better use of our time to focus on proposals that meaningfully support borrowers and make college more affordable. As you have mentioned, Madam Chair, we need to look forward and we have introduced legislation, such as the *LOAN Act*, which lowers the cost of college by significantly increasing the Pell Grant and reducing the interest on student loans. Those are two of the major factors in that bill, so that would help students in the future.

The bottom line is that we have a responsibility to strengthen support for those seeking a college degree—not because everybody should be forced to get one—but, for those who want a college degree, they should have access to that opportunity.

*Anyone* in this country who wants to take advantage of those benefits—not just the wealthy few—should be able to do so.

Finally, when you talk about the cost in every district, I think we ought to look at that as the amount of relief in every district that would be denied if this resolution is finally adopted. This proposal does nothing to enhance college education, so I strongly urge my colleagues to oppose it.